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SUBJECT: IVORIAN POULTRY INDUSTRY CRIES FOWL AS GOVERNMENT
TO REDUCE POULTRY IMPORT TARIFFS BY 50%

¶1. On November 2, 2006, the Ministry of Animal Husbandry and Fisheries announced a plan to slash the tariff on poultry imports by 50% (from 22.5% to 11.5%). The announcement followed the October 31 Council of Ministers, which recommended taking &all necessary measures to supply the poultry market in order to avoid any shortage as the year-end festivities draw near.⁸ As expected, the association of local poultry producers known as &Inter-profession Avicole Ivoirienne⁸ (IPRAVI) condemned the proposed tariff cut.

¶2. On November 3, IPRAVI expressed concern that the plan to reduce tariffs on import poultry results from an unjustified lack of confidence by the part of the government in the quality and volume of local poultry production. Moreover, IPRAVI claims that they do not understand why the Ministry is cutting the import tax when they could instead reduce the duties paid on various inputs by local poultry operators, thus cutting local production costs and aiding in recovery of the Ivorian poultry sector. The IPRAVI has asked the government to cancel the tariff cut, threatening that they &will find other means to defend their interests.⁸

¶3. The poultry sector in Cote d' Ivoire is responsible for approximately 15,000 jobs (direct and indirect). It generates total sales of roughly USD 80 million (CFAF 40 billion) per year, accounting for 0.5% of GDP. This figure is expected to decline by 30% this year due to the losses caused by the outbreak of Avian Influenza (AI). In April 2006, following the outbreak of AI, the government ordered the slaughter of live animals, the closure of poultry markets and a ban on poultry imports. In August 2006 the Ministry of Animal Husbandry and Fisheries declared that AI had been successfully contained and the government authorized the lifting of the import ban and the opening of poultry markets.

¶4. Comment: The tariff cuts will further undermine local poultry producers, already hard hit by the outbreak of AI. However, the move will be welcomed by Ivorian consumers. While poultry prices have increased since AI was reported in the country last April, according to industry sources consumption now appears to be at the same rate as pre-AI.

End comment.

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